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**ITAA COMMENTS
TO THE
U.S. DEPARTMENT OF STATE
ON THE
REPORT OF THE WORKING GROUP ON INTERNET GOVERNANCE
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I. INTRODUCTION

The Information Technology Association of America (ITAA) acknowledges release of the WGIG Report and is pleased to offer our comments in response to the U.S. Department of State Request for Comments. ITAA strongly supports WGIG efforts to foster greater involvement, particularly from the developing world, in the growth and stability of the Internet, and to build the capacity necessary to promote that involvement effectively.

ITAA has participated in the WSIS and WGIG processes since their beginning and acknowledges with gratitude the work of the members and the leadership of the WGIG, most notably, Nitin Desai, Markus Kummer; and their colleagues. ITAA also thanks the individual members of the WGIG for their time, personal commitment, and efforts to fulfill their mandate.

Further, ITAA applauds the U. S. Government for its continued openness in requesting comments regarding the substance of the report. ITAA will seek to provide further useful comments to be included in its contribution to the PrepCom.

The information and communication technology (ICT) industry is an important and robust industry. In fact, it is one of the most dynamic creators of jobs and income in the world. Worldwide in 2003, ICT accounted for approximately \$2.4 Trillion or 6.8% of GDP according to *Digital Planet 2004*¹. As markets in Eastern Europe, the Middle East, Asia and Latin America continue to develop, the compound annual growth rate is expected to be 8% between 2003 and 2007 by which the worldwide market is expected to be over \$3.2 Trillion.²

The conclusion that can be drawn from these statistics is that ICT spending is an important sector to global GDP. A market projected to be in excess of \$3 Trillion is one where companies from all countries want to participate, and participation means that the industry can help individual economies grow and prosper.

The Information Technology Association of America provides global public policy, business networking, and national leadership to promote the continued rapid growth of the IT industry. ITAA consists of approximately 400 corporate members of both U.S. and foreign companies with U.S. affiliates located throughout the U.S. The Association plays the leading role in issues of IT industry concern including information security, taxes and finance policy, digital intellectual property protection, trade, telecommunications competition, workforce and

¹ *Digital Planet 2004*, published by the World Information Technology and Services Alliance (WITSA), based on research conducted by Global Insights, Inc., October 2004.

² Ibid, page 15.

education, immigration, online privacy and consumer protection, government IT procurement, human resources and e-commerce policy. ITAA members range from the smallest IT start-ups to industry leaders in the Internet, software, IT services, ASP, digital content, systems integration, telecommunications, and enterprise solution fields. For more information, please visit www.ita.org.

ITAA is also the U.S. member of the World Information Technology and Services Alliance (WITSA), a consortium of 67 IT associations worldwide. Currently ITAA serves as the Secretariat for WITSA. Additional information about WITSA can be found at www.witsa.org.

II. GENERAL

Participation today in the global economy requires the availability of, and effective access to, an Internet that is stable, ubiquitous, and secure. We are pleased that the WGIG Report recognizes this fundamental point. The technology is fast-changing and dynamic. The challenge is to keep the innovation and growth that characterizes the Internet while exploring specific issues that arise with respect to its administration or operation, so as to continue to ensure its smooth functioning well into the future. Implementation of change must insure continued stability, reliability and availability. This is the underlying premise that guides ITAA's consideration of the WGIG report.

Overall, we note that the report has not been able to fully recognize the existing work of many organizations, or undertake a full examination of the respective existing roles and responsibilities of governments, existing international organizations and other fora, as well as the private sector and civil society. We see this as a weakness of the report, while we fully appreciate the challenge such a critique must have presented. However, lacking that critical examination of the existing work of organizations engaged in Internet Governance today, we believe that the "options" in the WGIG report bypass a true assessment of existing organizations and how they can better do their jobs.

ITAA acknowledges that there are a few areas where there is not yet a robust set of activities at an international level. In some of these areas, we do not support international solutions *until* national approaches are addressed and created. Further, we start from a premise that all existing organizations should first do better and more, before any new entities, in any area, are created. That will allow the isolation of those areas where there is no existing institution or established process and then to work together to decide what combination of governmental and non-governmental activities would best address *that* issue.

It is always tempting to consider starting over, rather than to build and enhance existing structures. That would be a serious waste of resources that could better be devoted to fulfilling the core intent of the WSIS—increasing access to ICTs for developing countries. Existing organizations and initiatives have evolved sophisticated processes and developed specialized expertise over their years of existence that would be difficult and costly to duplicate in a short period of time. We urge that the priority first be on increasing and improving their contributions.

We also do not support spending time and resources on a standing entity that acts as merely a coordinator, duplicating and undoubtedly (as we have seen historically), competing for resources, personnel, and time with existing organizations. In the end, this would only divert the focus from substantive work to a concern for survival, or competition among organizations.

We are further informed by several contributions to the WGIG process that substantiate the need for improvements in existing organizations, a pragmatic and clear focus on core missions, and on our assumption that with a shared objective to cooperate, such improvements can be accomplished without a costly or time-consuming duplication of resources.

III. WORKING DEFINITION OF INTERNET GOVERNANCE

ITAA accepts the Working definition of Internet Governance developed by the WGIG. It reflects the broad range of issues surrounding the Internet for which governments seek additional understanding and consultation in order to fulfill their responsibility to advance the interests of their citizens. It also recognizes the interest of industry, non-governmental bodies and international organizations that currently shape the outcomes on these issues. On the other hand, ITAA does not generally support the concept of more centralized processes. We believe that in many cases, significant work must first take place at the local, national and even the regional level before anything useful can be accomplished at the global level.

At the same time, the diverse nature of the issues themselves demonstrates why the question of appropriate “participation” in shaping those outcomes does not have a single answer that can be resolved through the creation of one over-arching organization. On some matters, governments may well need to take a leading role, particularly in enforcing widely accepted legal standards. But on many more issues, experience with the Internet to date and the pace of innovation it has spawned, clearly shows that the leadership and initiative of the private sector should be preserved and promoted.

Even in those decisions where leadership is needed by representative governments, those governments should insure participation by the private sector and civil society in the deliberations leading up to those decisions. In many other areas, they should defer to the private sector. This includes, but is not limited to, setting standards, innovating technological and business driven solutions, and establishing accepted self-governance practices, while assuring that the vital interests of consumers are considered in the process. Distinguishing these circumstances, and exploring the options available where decisions are called for should be the subject of continuing and thorough consultations among all the stakeholders on a given issue. Yet these consultations can, and for the most part do, occur within existing governmental or private sector and non – governmental processes. A new organization might only dilute or undercut the effectiveness of these existing approaches.

IV. PROPOSALS FOR ACTION: PARAGRAPHS 33-47.

As stated above, ITAA is not convinced by the call for a new discussion forum. We believe it is more important to focus on concrete tasks than to repeat arguments and position statements in new fora. There is much work to be done at the local, national and regional levels and in existing entities, including the ITU, WIPO, ICANN, and UNESCO, and others. All of these bodies and groups should be encouraged to focus on their work, to grow in participation and transparency, and to fulfill their missions.

But, in particular, we cannot support the creation of an open-ended forum that lacks accountability for its agenda. Those who should be working within an existing and productive organization might be tempted to abandon the hard work necessary for real impact to come to a new and unproven organization which promises to resemble more a “debating society” than an effective contributor to concrete accomplishments in addressing Internet Governance issues.

Such an arrangement does not appear to be a useful approach and would risk damaging existing organizations. We believe that much hard work needs to be accomplished within the existing bodies because they have responsibilities and challenges to fulfill. This particularly applies to both ICANN and the ITU that are actually complementary to each other when they each fulfill their core mission.

The ITU continues to face significant challenges in increasing teledensity and in fulfilling its core mission. Its role in standards for underlying infrastructure continues. Likewise, ICANN has hard work to accomplish in its technical coordination of certain Internet activities, and in continually extending its participation. Both have a role in addressing underlying infrastructure issues that can help to increase access to ICTs, and both should be encouraged to fulfill their respective roles, and to cooperate and collaborate as appropriate. There is no need to create new fora to take on their work, nor to debate their work, nor to coordinate their work.

ITAA does not support the creation of oversight mechanisms or a specialized follow-up coordinating function for the WSIS. It seems to us that the UN agencies are quite experienced at Summit follow-up and should be capable of fulfilling their mandates from the Tunisia WSIS meeting without the need for a new body or coordinating mechanism. Were this not the case, the many U.N. Summits in recent years would have led to a plethora of new fora and institutions.

ITAA strongly supports a focus on exploring ways to increase and support the participation of developing countries. We agree that different stakeholders can contribute more effectively if they have a greater understanding of both policy and technology in ICTs, including the Internet. We regret that the report does not devote sufficient focus to concrete recommendations that can address these challenges. Many contributions reinforce the importance of translations of existing

materials and providing materials in an accessible manner. This is often the first and most critical step to enabling and supporting full informed participation.

Developing countries should also be encouraged to broaden their participation in existing organizations and join in the processes there not be encouraged to divert their participation into a new consultative or “debating society” approach. While capacity building is acknowledged in the WGIG Report, it is our view that this is an extremely important area where more work is needed. A further work activity – focused on how to link interested groups and individuals with those groups where work is being done so that they can contribute meaningfully – could be productive.

V. GLOBAL PUBLIC POLICY AND OVERSIGHT: PARAGRAPHS 40-73

ITAA remains concerned that the WGIG Report has focused too much on the technical coordination of the Internet and not enough on the broader issues within the scope of Internet Governance. We are further dismayed that three out of four of the models for Internet governance proposed for consideration preclude continued private sector leadership. The overall focus in the models ignores the proven track record of the Internet in generating innovation and access without governmental direction.

For models 1, 3, and 4, there is a change in the role of the civil society and business stakeholders to merely advisory. Model 2 does assume that the existing body – ICANN – responsible for the technical coordination and management of names and numbers will continue, with enhancements. However, it provides for a new forum to address issues. It is not clear how this model would not compete or interfere with existing bodies. Overall, we remain skeptical about the need for new discussion fora. Model 4 is especially troublesome since the commercial/business sector is completely ignored, and even omitted under paragraph 70.

ITAA notes also that, unfortunately, the WGIG Report does not support the ability of countries to self-select for themselves what works best for them in Internet Governance initiatives and approaches. Paragraph 73(b) suggests that there is a single approach that a nation should follow. We cannot support such a concept, noting that for instance, in New Zealand, the private sector/civil society/and government are quite productively engaged in advancing the Internet via a “society” that is open to all, but is not established, or overseen by government. Similarly, other countries – Canada, Australia, the US, and many more – have adopted other models, which have worked well for them. ITAA cannot support the concept of dictating a “one size fits all” approach.

On the other hand, the spirit of the WGIG to support robust and full participation in advancing ICTs is worthwhile, and we fully support that goal. ITAA agrees that the enhancement of legitimacy of Internet governance processes can indeed benefit from broader participation by those who are interested and want to participate. Capacity building is a core activity that deserves concentrated attention in order to develop a global pool of officials and other stakeholders who can address the complicated issues and difficult choices increasingly presented by the growth and diverse aspects of the Internet.

VI. RECOMMENDATIONS TO ADDRESS INTERNET-RELATED ISSUES; PARAGRAPHS 74 - 85

ITAA does not support the recommendations in this section as they are written. For example, ITAA does not agree that the recommendation related to the number of root servers is sound from either a technology perspective or the present reality of the architecture of the root server system. We instead suggest that the continued roll out of mirrored servers, “Anycasting”, and other technology measures are fulfilling, within the capability of the existing architecture, the needed capacity to manage DNS resolutions.

We have followed the discussion via the WGIG and via the public meetings, and we note that it is very important to remember that root servers do not “route traffic”. They normally play a minimal role in the operation of the Internet, however important their central function. The greatest concern that countries should have is to advance the role of those infrastructure providers who do route traffic. Countries should focus on their competition policies and approaches to encourage the establishment of independent ISPs and others that route traffic, increasing their own contribution to the robustness of the Internet’s functioning, and simultaneously lowering the cost of transport of traffic through building their own national and regional Internet infrastructure

With respect to interconnection costs, they are being studied in a number of fora around the world, including the ITU. It is important to recognize that much of the problem can be traced back to national regulations that do not promote competition or even restrict it. Progress is being made where regulations and legal frameworks are clarified, an enabling environment is created, Internet exchange points are established, and local content is encouraged.

Since 2002, in particular, significant changes have occurred in traffic dynamics and growth of Internet connectivity in different regions. The problem described, and the recommendations do not recognize the full cost of Internet access, which must include internal national Internet infrastructure, computers or user devices for access, usable content. Further, there is no exploration of the possible role of wireless as an alternative Internet access medium.

To provide another example, spam is essentially an “edge” problem and solutions that will do the most good have to be deployed at the edges of the networks, engaging with ISPs and end users. Thus, any future work must take into account the role of technology and cooperation between public and private players in developing a toolkit approach, and in helping to educate users. At the same time, there are many private sector initiatives that are developing technical and other solutions that may contribute to limit the impact of spam. This is an example of so many of the issues surrounding the Internet that require multiple approaches by multiple entities and levels of participants, including users.

On multilingualism, ITAA supports the importance of continued work that we view as critical to the development and use of the Internet in countries where the Roman alphabet is not the primary script. This work must address the availability of non-ASCII content for the Internet, as well as the development of standards for non ASCII character domain names. ITAA notes that it is important to move responsibly, including in advancing agreement on official language tables. Significant work initiatives are presently emerging, and collaboration and cooperation across the different standards entities and language experts/organizations, as well as many other organizations presently engaged in developing solutions, including the software/browser development community.

VI. CONCLUSION

There must be a pragmatic and realistic focus on encouraging existing organizations to continue to improve their performance, focus on their core missions, and cooperate and collaborate with other groups and institutions, avoiding overlap and competition between entities. We do not see the need to create a body to generate discussion of issues already being addressed in existing organizations, but believe these entities should assist in meeting the objectives of improving access to ICTs for all.

Indeed, some of the concerns expressed about gaps in existing coverage reflect instead gaps in understanding or information about important work that is already taking place in existing organizations and non-governmental processes. For this reason, among others, we are especially supportive of educational and capacity-building exercises, involving multiple existing organizations that would highlight and identify the most productive means to solve specific issues. We recommend that such initiatives be conducted as single-issue focused events on, for example, Spam and Phishing, Cybercrime and Cybersecurity, infrastructure development, and capacity building, in which both private and public sectors would collaborate in promoting wider understanding and better informed choices.